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SECURITY INFO

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

COUNTRY Hungary

SUBJECT General Changes in Policy Since Stalin's Death/ Specific Indication of Relaxation of Restrictive Internment Policy

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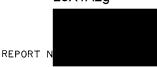
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- It is well known that Imre Nagy, in his first address as Prime Minister of Hungary, stated that the enormous build-up of new universities and institutes must be curtailed. No less than seven new technical institutes had been claimed. Nagy indicated that the effort to introduce mass education of a much higher order than previously existed had been overdone. Since such a reduction would include engineering schools, it also appears that consumer goods are going to be emphasized at least somewhat, at the expense of the development of heavy industry which has been given so much attention. These, and other pronouncements of Nagy, were received by Hungarians in the US with considerable skepticism, in view of the previous record of the Communist regime. Announcements and claims under such a regime are, of course, likely to be very different from the facts.
- 2. However, I am led to give greater credence to the various new policies announced since Stalin's death by new Hungarian Communist leaders, because four (to my certain knowledge) and possibly five members of my family have been released from restrictive internment very recently (c Oct 53). These individuals have all been elderly women who were forced to leave Budapest and reside in three small rural towns where they have had to stay for from one to two years. Although the official reason for their forced evacuation was that only those who work productively have a right to live in Budapest, the real reason was probably a need by the Communists for the quarters they occupied. Now, these members can relocate anywhere they want in Hungary, but for them to return to Budapest requires a special permit given apparently only in exceptional cases. None have returned to Budapest.
- 3. It has also been surprising to me to see an official admission that, in spite of the Communist effort at collectivization of the farmer and changing his position from individual farmer to kulak, seventy-five per cent of Hungarian farmers were not collectivized up to Stalin's death. Nagy announces that these individual farmers may now have machinery, fertilizers, and tools. What seems to me to be going on in Hungary is a change of over-all policy very similar to Lenin's switch in 1923, when he suddenly announced that the USSR must backtrack somewhat and, for example, acknowledge private enterprise to the extent of permitting individual entrepreneurs to have up to four employees.

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